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Brian R Naranjo 12/05/2001 08:29:11 AM From DB/Inbox: Brian R Naranjo

Cable Text:

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TELEGRAM

December 04, 2001

To: SECSTATE WASHDC - ROUTINE  
Action: WHA  
From: AMEMBASSY CARACAS (CARACAS 3541) ROUTINE  
TAGS: PGOV, PHUM, EAID, ECON, SOCI, SERV, SMIG, VE  
Captions: None  
Subject: VARGAS VICTIMS REVISITED - RESETTLEMENTS IN CONTRAST  
Ref: (A) CARACAS 00527 (B) CARACAS 02980

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Introduction  
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1. This is the second in a series of cables addressing the status of displaced citizens of the state of Vargas two years after a major natural disaster and their government's response to their needs. PolOff traveled outside the Federal District to visit resettled families in outlying areas of the eastern state of Monagas. Pivotal in all these cables will be the attention given to the ultimate issues: Can Venezuela address the needs of its people and what impact will this have on the future of this politically volatile and economically fragile government?

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Summary  
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2. It has been two years since one of the worst disasters in Venezuela's last one hundred years hit the vulnerable state of Vargas along the northern coastline of Venezuela. While the "damnificados," or displaced persons, have been an ongoing concern of the Venezuelan government, they have also gained media coverage as a group that has received promises but no delivery from a government that is daily failing to meet the needs of its citizens. While these families struggle to rebuild their lives, their government's inability to meet their needs reveals a larger tendency of the Chavez regime to provide only lip service to the needs of its people.

3. Following the 1999 tragedy, and during the ensuing months, more than 3,500 persons were sent to Monagas state. In some cases families were merely relocated in former government owned houses. In other cases, the government directed its petroleum company, PDVSA, to take an active role in resettling the families. The failures and successes of the damnificados' experiences appear to be directly linked to the level of involvement of their government in their lives.

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Vargas Citizens: Go Home!  
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4. A forty-minute drive NE of Maturin, Punta de Mata, the second largest city in the state of Monagas, sits quietly with businesses and small houses surrounding the ubiquitous Bolivar Square. The population of 250,000 people is hesitant to accept the more than 3,000 displaced persons (600 plus families) that have been unhappily resettled on the outskirts of town, across the street from the town's poorest barrio. The families have been given sturdy housing

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UNITED STATES DEPARTMENT OF STATE  
REVIEW AUTHORITY: JOHN L MILLS  
DATE/CASE ID: 05 JUN 2006 200304421

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originally intended for PDVSA workers. However, the displaced are distressed beyond measure with their inability to weave themselves into the fabric of life that surrounds their community. There are signs in the town that warn, "Vargas citizens, go home" or "From Vargas? We don't have work for you." While elementary school aged children have places in the local schools, what is really troubling is the eighty percent of the adolescents in the settlement who cannot find places in the local schools. Local Red Cross workers describe the conditions of life in the settlement as "filled with prostitution, drugs, and crime." (NOTE: The attitude of the local chapter of the Venezuelan Red Cross seems to mirror the residents of the town: the Red Cross workers have pulled out of the settlement because the displaced families are "too demanding" and "unwilling to help themselves." End note.)

5. The President of the Neighborhood Association, Ms. Magdalis Lugo, told PolOff that the demoralization and despair are "overwhelming." Ms. Lugo claims there is no work and "no one will help us." She stated that about eighty per cent of the Vargas adults resettled here are professionals (teachers, nurses, and lawyers) but that they cannot find work and are discriminated in town. She affirmed that she and her neighbors do not want to return to Vargas, but the lack of resources available to them and the government's deafness to their needs makes their new life depressing.

6. The only micro-business success story was a sewing cooperative (funded by an Evangelical Church based in Indiana) where women neighbors are making school uniforms and underwear for children to be sold in the community. The women told PolOff that this business was working because "someone (outside) cared about us" - not because of any grassroots entrepreneurship. There seems to be no

initiative to sew together a better life in this community. This year-old model settlement may continue to slide into potholed streets filled with disillusioned youth not unlike those of the barrio next door.

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Where there is a government will - there is a way  
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7. PolOff traveled to Monagas' southern town of Oritupano (southeast near the border of Monagas and Anzoategui states) to visit the success story that is a result of PDVSA's on-going commitment to the damnificados. Luis Zambrano, Coordinator of PDVSA's Programs on Agricultural and Social Development, discussed his work and conducted a morning tour of the settlement where approximately 35 families have been resettled.

8. NOTE: While the success of this development lies largely with the commitment that PDVSA has to adapting these former Vargas inhabitants to an agricultural life, one cannot ignore the imperative that came from President Chavez to the president of PDVSA. Flying over the region in the initial days of the disaster, Chavez asked PDVSA's chairman about the area. Told that the settlement was originally built by TEXACO for their oil workers, was taken over by PDVSA, and also served as a government prison for a while, Chavez detailed PDVSA to relocate damnificados here, and tasked PDVSA to make it work. Chavez said these damnificados would be called the "constructors of a new horizon." Hence the involvement of PDVSA. Making Chavez's initiative of land development in the interior a success is certainly paramount in the PDVSA team's mind. It should be noted too, that the small size of this community, as compared to Punta de Mata, has contributed to its success. End note.

9. PDVSA screened individuals during the initial days of the tragedy, and relocated nuclear families that volunteered

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for this project. In all the micro-businesses visited, PoloOff witnessed involvement from the men and women running the projects as well as PDVSA consultants standing nearby like proud parents. Families who wish to participate in the microbusiness ventures (such as quail egg production, fertilizer and compost production, cassava and yucca cultivation, bakery, butcher, or fruit stores) must enroll in a micro-business course given by PDVSA, must draft and present their proposal, and be approved by the PDVSA team. Then they receive financial and consultant support. Zambrano told PoloOff that PDVSA's goal is to have the community self sufficient and fully integrated in the rural farming community by 2009. The resettled families receive 36,000 Bs. Per week (approximately \$48) during their first year in the community. Then they are eligible to receive financial assistance from PDVSA for their start-up projects. The work ethic here is very different than in other communities observed by PoloOff where outside assistance and guidance is missing.

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But in the garden there are also weeds  
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10. Sheila Quesada, president of one of the neighborhood associations in Oritupano, spoke with PoloOff and candidly admitted she does not want to return to Vargas. "I have a house, and I am grateful," she testifies. "I love being here. The air is clean, and it's safe." There is a sense of tranquility and small town closeness in Ms. Quesada's neighborhood, and the faces of the children reflect contentment. Yet Ms. Quesada and her neighbors lamented that Oritupano, situated two and a half hours southwest of Maturin, lacks adequate health care (a \$50 taxi ride to the city if there is an emergency), schooling for their adolescents, and above all "acceptance from the locals." "It's not like during the tragedy when everyone helped," one of the women said. "Then there was respect for us. Now, no one seems to care."

11. PoloOff noted that the families are living on approximately twenty per cent of the land within the original petroleum workers' community. Much of the settlement appears to be an abandoned ghost town, with high weeds infesting the ballpark, the buildings of the old movie theatre, and a school. The original water tank and sewage treatment plant also lay abandoned. Cement guard towers, left over from the prison era, cast somber shadows. PDVSA's Zambrano told PoloOff that "plans are in place for a technical school" but no higher education opportunities are in place for youngsters who cannot attend the newly renovated elementary school - unsurprisingly a "Bolivarian School."

12. Residents of Oritupano told PoloOff that their biggest concerns here are with the sporadic electricity and water service, as well as the need for a secondary school and dependable health clinic. The theme of lack of acceptance and integration into the community was also raised. While PDVSA has encouraged the new farmers to sell their crops and products to the local community, one of the presidents of the neighborhood association, Irma Guaira, told PoloOff that "we eat what we grow." "The locals," she lamented, "do not accept us. Oh, you are from Vargas? Then there is no work here." "We respect the people out there," she stated proudly, "why don't they respect us?" "They need to change their attitude," she stated defiantly. The non-acceptance of the local community has "made us aggressive," said Ms. Guaira. "It has changed our personalities." (NOTE: While PDVSA can take pride in the lives it is helping to rebuild, the obvious need for integration into the existing community is missing. Until the damnificados feel welcomed and accepted into the regional areas, full implementation of any plan will not work effectively. End note.)

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Conclusion  
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13. While Chavez' government daily issues new announcements to aid the "pueblo" and the President's "enabling laws" portend to bring peace and stability to a population in great need, the damnificados appear to be forgotten in their cries for basic needs such as education and health care. More problematic is the question of integration; if the newly created settlements cannot find acceptance in the established communities, then seeds of dissent and dissatisfaction will continue to grow until they choke the success that Venezuela's struggling government is trying to find for its damnificados. The role of the church and city successes within the Federal District will be addressed in a subsequent cable.

HRINAK

Additional Addressees:  
None

CC:  
None

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R 041910Z DEC 01  
FM AMEMBASSY CARACAS  
TO SECSTATE WASHDC 4150

UNCLAS CARACAS 003541

FOR WHA/AND (NARANJO), WHA/PDA (BYERS), PRM/ENSA,  
INR (COZART)

R.O. 12958: N/A  
TAGS: PGOV, PHUM, RAID, ECON, SOCI, SENV, SMIG, VE  
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